

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

APR 15 2004

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03515A
Tonto Basin Water Co., Inc.
%Brooke Utilities, Inc.
P.O. Box 82218
Bakersfield CA 93380

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
-----------	-----------	-------------

FOR COMMISSION USE

Ann04	03
--------------	-----------

COMPANY INFORMATION

Company Name (Business Name) TONTO BASIN WATER COMPANY, INC.

Mailing Address P.O. BOX 82218
(Street)

BAKERSFIELD
(City)

CA
(State)

93380
(Zip)

800-270-6084 or 661-633-7546
Telephone No. (Include Area Code)

800-748-6981
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address customerservice@scwater.com or mistiej@brookeutilities.com

Local Office Mailing Address 1010 S. STOVER ROAD
(Street)

PAYSON
(City)

AZ
(State)

85541
(Zip)

928-474-8130
Local Office Telephone No. (Include Area Code)

928-474-1695
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address deans@brookeutilities.com

MANAGEMENT INFORMATION

Management Contact: ROBERT T. HARDCASTLE PRESIDENT
(Name) (Title)

P.O. BOX 82218
(Street)

BAKERSFIELD
(City)

CA
(State)

93380
(Zip)

661-633-7526
Telephone No. (Include Area Code)

800-748-6981
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address rth@brookeutilities.com

On Site Manager: DEAN SHAFFER
(Name)

1010 S. STOVER ROAD
(Street)

PAYSON
(City)

AZ
(State)

85541
(Zip)

928-474-8130
Telephone No. (Include Area Code)

928-474-1695
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address deans@brookeutilities.com

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>ROBERT T. HARDCASTLE</u>			
(Name)			
P.O. BOX 82218	BAKERSFIELD	CA	93380
(Street)	(City)	(State)	(Zip)
661-633-7526	800-748-6981		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: <u>JAY SHAPIRO WITH FENNEMORE CRAIG</u>			
(Name)			
3003 N. CENTRAL AVE.	STE 2600	PHOENIX	AZ 85012
(Street)	(City)	(State)	(Zip)
602-916-5000	602-916-5566		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input checked="" type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME: TONTO BASIN WATER COMPANY, INC

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	5,241	3,468	1,773
304	Structures and Improvements	55,305	36,209	19,096
307	Wells and Springs	93,873	60,969	32,904
311	Pumping Equipment	66,226	23,537	42,689
320	Water Treatment Equipment	4,138	931	3,207
330	Distribution Reservoirs and Standpipes	85,382	44,611	40,771
331	Transmission and Distribution Mains	168,829	89,331	79,498
333	Services	27,235	18,024	9,211
334	Meters and Meter Installations	70,135	22,053	48,082
335	Hydrants	453	102	351
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	116,804	77,301	39,503
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	1,936	320	1,616
346	Communication Equipment	569	9	560
347	Miscellaneous Equipment			
348	Other Tangible Plant	141	18	123
	TOTALS	696,267	376,883	319,384

This amount goes on the Balance Sheet Acct. No.108 

COMPANY NAME: TONTO BASIN WATER COMPANY, INC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	5,241	3.21%	168
304	Structures and Improvements	55,305	3.20%	1,770
307	Wells and Springs	93,873	3.20%	3,004
311	Pumping Equipment	66,226	3.09%	2,046
320	Water Treatment Equipment	4,138	3.19%	132
330	Distribution Reservoirs and Standpipes	85,382	2.92%	2,496
331	Transmission and Distribution Mains	168,829	3.04%	5,140
333	Services	27,235	3.20%	871
334	Meters and Meter Installations	70,135	3.01%	2,114
335	Hydrants	453	3.09%	14
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	116,804	3.20%	3,738
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	1,936	3.20%	62
346	Communication Equipment	569	1.58%	9
347	Miscellaneous Equipment			
348	Other Tangible Plant	141	3.55%	5
	TOTALS	696,267	3.10%	21,569

This amount goes on Comparative Statement of Income and Expense
Acct. No.403.

COMPANY NAME: TONTO BASIN WATER COMPANY, INC

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ -	\$ -
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	2,228	5,067
146	Notes/Receivables from Associated Company		
151	Plant Materials and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	(83)	(83)
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 2,145	\$ 4,984
	FIXED ASSETS		
101	Utility Plant in Service	\$ 651,801	\$ 696,267
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(353,314)	(374,883)
121	Not-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 298,487	\$ 321,384
	DEFERRED INCOME TAX DEBITS	\$ 103,000	\$ 103,000
	TOTAL ASSETS	\$ 403,633	\$ 429,368

NOTE: The Assets on this page should be equal to **Total Liabilities & Capital** on the following page.

COMPANY NAME: TONTO BASIN WATER COMPANY, INC

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 6,157	\$ 4,963
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Company	(126,449)	(145,150)
235	Customer Deposits	16,032	16,477
236	Accrued Taxes	7,012	7,377
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	16,979	16,979
	TOTAL CURRENT LIABILITIES	\$ (80,269)	\$ (99,355)
	LONG-TERM DEBT (Over 12 Months)		
224	Long-term Notes and Bonds	\$ 24,430	\$ 14,757
	Deferred Credits		
251	Unamortized Premium on Debt		
	Refundable Meter Advances	\$ 48,088	\$ 51,183
252	Advances in Aid of Construction	4,152	4,152
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	82,981	82,981
272	Less: Amortization of Contributions	(33,060)	(35,716)
281	Accumulated Deferred Income Taxes		
	TOTAL DEFERRED CREDITS	\$ 102,160	\$ 102,600
	TOTAL LIABILITIES	\$ 46,321	\$ 18,003
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 276,219	\$ 276,219
211	Paid In Capital in Excess of Par Value	79,748	79,748
215	Retained Earnings	1,345	55,398
218	Proprietary Capital (Sole Props & Partnerships)		
	TOTAL CAPITAL	\$ 357,312	\$ 411,365
	TOTAL LIABILITIES AND CAPITAL	\$ 403,633	\$ 429,368

COMPANY NAME: TONTO BASIN WATER COMPANY, INC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 251,468	\$ 260,384
460	Unmetered Water Revenue		
474	Other Water Revenues	4,720	4,443
	TOTAL REVENUES	\$ 256,188	\$ 264,826
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 53,085	\$ 45,307
610	Purchased Water	765	
615	Purchased Power	21,960	19,349
618	Chemicals		3,138
620	Repairs & Maintenance	5,379	8,643
621	Office Supplies and Expense		23
630	Outside Services	38,618	43,006
635	Water Testing	5,586	4,684
641	Rents		
650	Transportation Expenses	2,584	3,005
657	Insurance - General Liability		
659	Insurance - Health and Life	4,383	4,773
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	24,945	25,270
403	Depreciation Expense	20,221	21,569
408	Taxes Other Than Income	15,984	16,510
408.11	Property Taxes	11,599	12,826
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 205,111	\$ 208,102
	OPERATING INCOME/(LOSS)	\$ 51,077	\$ 56,724
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income	284	
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(3,347)	(2,671)
	TOTAL OTHER INCOME/EXPENSE	\$ (3,063)	\$ (2,671)
	NET INCOME/(LOSS)	\$ 48,014	\$ 54,053

COMPANY NAME: TONTO BASIN WATER COMPANY, INC

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN # 1	LOAN # 2	LOAN # 3	LOAN # 4
Date Issued	5/1/2000			
Source of Loan	Brooke Utilities			
ACC Decision No.	62401			
Reason for loan	see below			
Dollar Amount Issued	\$ 45,900			
Amount Outstanding	\$ 14,757			
Date of Maturity	4/30/2005			
Interest Rate	10%			
Current Year Interest	\$ 2,030			
Current Year Principal	\$ 9,673			

Meter Deposit Balance at Test Year End \$ 51,183

Meter Deposits Refunded During the Test Year \$ 7,240

The purpose of the loan was to finance capital expenditure project to improve water system infrastructures.

COMPANY NAME	TONTO BASIN WATER COMPANY INC.
---------------------	--------------------------------

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
SEE ATTACHED PAGE 9A						

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5 HP	1	7	0
7.5 HP	4		
15 HP	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	2	2,000	5
15,000	1	5,000	1
20,000	1		
30,000	2		

40,000 and 100,000

1 and 1

Company Name	Tonto Basin Water Co., Inc.
---------------------	------------------------------------

WATER COMPANY PLANT DESCRIPTION *Continued*

Wells

ADWR ID	PUMP	PUMP	CASING	CASING	METER	YEAR
NO.	HP	YEILD(GPM)	DEPTH (ft)	Diameter (inc)	SIZE (INCHES)	DRILLED
55-631117	2	34.0	80.0	8"	2	1970
55-631116	1.5	25.0	50.0	8"	U/A	1970
55-553109	2	30.0	50.0	8"	U/A	1996
55-631111	1.5	25.0	80.0	8"	2	1970
55-631118	2	10.0	80.0	8"	2	1965
55-605248	5	96.0	90.0	10"	2	1960
55-527761	3 /4	19.0	80.0	6"	1	1990
55-527619						not operating
55-621331	25	100.0	680.0	8"	3	1959
55-621337	5	25.0	680.0	8"	2	1955

Company Name	Tonto Basin Water Co., Inc.
---------------------	-----------------------------

WATER COMPANY PLANT DESCRIPTION (Continued)

	MAINS	
Size (inches)	Material	Length (feet)
1 1/2"	Galv.	14,700
2"	PVC	3,610
2"	AC	450
2"	Galv.	20,360
2 1/2"	Galv.	1,100
3"	PVC	330
3"	AC	4,000
3"	Galv.	2,200
4"	PVC	14,400
4"	AC	2,200
5"	none	
6"	PVC	26,980
6"	AC	3,510
8"	none	
10"	none	
12"	none	

CUSTOMER METERS		
Size (inches)		Quantity
5/8 x 3/4		763
3/4 x 3/4		
1		11
1 1/2		
2		3
Comp 3		1
Turbo 3		
Comp 4		1
Turbo 4		
Comp 6		
Turbo 6		
Total		779

For the following three items, list the utility owned assets in each category?

TREATMENT EQUIPMENT

Chlorinators - 4

STRUCTURES

1,382 L.F. Fencing

1 8' x 8' Blocking Building

OTHER

None

COMPANY NAME: TONTO BASIN WATER COMPANY INC.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS ¹	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	1,989	3,658	3,292
FEBRUARY	2,025	3,012	2,991
MARCH	2,022	3,150	2,941
APRIL	2,040	2,748	4,102
MAY	2,055	4,468	6,132
JUNE	2,073	5,341	6,491
JULY	2,067	7,445	7,718
AUGUST	2,076	6,802	6,935
SEPTEMBER	2,058	6,545	6,620
OCTOBER	2,064	4,767	3,794
NOVEMBER	2,073	5,502	3,448
DECEMBER	2,082	1,829	3,345
TOTAL		N/A	57,807

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes ☐ No Cactus Forest subdivison only

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. * _____ mg/l

(If more than one well, please list each separately)

*2003 WAS NOT AN IOC TEST YEAR FOR ANY TONTO BASIN WATER WELL

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME TONTO BASIN WATER COMPANY INC. YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 12,212.86

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

16292



Tonto Basin Water Company
P.O. Box 82218
Bakersfield, CA 93380-2218

BANK OF AMERICA
1440 TRUXTUN AVENUE
BAKERFIELD, CA 93301

$$\frac{16-66}{1220}$$

35207

35208

CHECK NO.

***** Three Thousand Eight Hundred Sixteen and 33/100 *****

DATE _____

AMOUNT

Apr 7 03

\$3,816.33

PAY
TO THE
ORDER
OF

GILA COUNTY TREASURER
P.O. BOX 1093
GLOBE, AZ
85502

St. James

016292 12200066 1476901525

'0000381633'

Paid for
BUI in
error

005

3,816	33*
2,536	38
← 558	72
3,876	44
2,542	45

12,212 86 *

04/16/93 LA:CA
122000661 06

15393 343 00013515040

7360043053

NAME: GUY, JIA
 BIRTH DATE: 1961
 #11190
 04152003

REF ID: A66133

[illegible]

PAY TO THE ORDER OF
 BANK ONE, ARIZONA, N.A.
 PHOENIX, ARIZONA
 ▶ 122100024 ▶
 FOR DEPOSIT ONLY
 GILA COUNTY TREASURER
 13804077



9425810007
Tonto Basin Water Company
P.O. Box 82218
Bakersfield, CA 93380-2218

BANK OF AMERICA
1440 TRUXTUN AVENUE
BAKERSFIELD, CA 93301

16-66
1220

2058171

16294

CHECK NO.

***** Two Thousand Five Hundred Thirty-Six and 38/100 *****

DATE

AMOUNT

Apr 7 03

\$2,536.38

PAY TO THE ORDER OF
FINAL COUNTY TREASURER

P.O. BOX 729
FLORENCE, AZ.
85232-0729



[Signature]

⑈016294⑈ ⑆122000661⑆ 14769⑈01525⑈

⑈0000253638⑈

04/17/03 LA, CA
122000661 06

E0415 S38 00013815040

6260272956

APR 14 03

BANK ONE, NA
111901381

122100021
122100021
122100021

111901381

54202778

0312 3088 3241 35376 35377 35378 35390 17162

Tonto Basin Water Company
P.O. Box 82218
Bakersfield, CA 93380-2218

BANK OF AMERICA
1440 TRUXTON AVENUE
BAKERSFIELD, CA 93301

CHECK NO.

35391

3876.44

16-66
1220

***** Three Thousand Eight Hundred Seventy-Six and 44/100 *****

DATE

AMOUNT

Oct 15 03

\$3,876.44

PAY
TO THE
ORDER
OF

GILA COUNTY TREASURER
P.O. BOX 1093
GLOBE, AZ
85502



⑈017162⑈ ⑆122000661⑆ 14769⑈01525⑈

⑈0000387644⑈

10/20/03 LA,CA
122000661 06
E5358 530 67100040680
0460582304

OCT 17 03

BANK ONE, NA
111190 3314
10172003

33776142

605.2 6657

PAY TO THE ORDER OF
BANK ONE, ARIZONA, NA
PHOENIX, ARIZONA
122100024
FOR DEPOSIT ONLY
GILA COUNTY TREASURER
11884047

Tonto Basin Water Company
P.O. Box 82218
Bakersfield, CA 93380-2218

BANK OF AMERICA
1440 TRUXTON AVENUE
BAKERSFIELD, CA 93301

17163

CHECK NO.

16-66
1220

***** Two Thousand Five Hundred Forty-Two and 43/100 *****

DATE

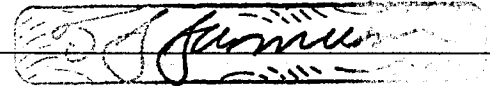
AMOUNT

Oct 15 03

\$2,542.43

PAY
TO THE
ORDER
OF

FINAL COUNTY TREASURER
P.O. BOX 729
FLORENCE, AZ.
85232-0729



⑈017163⑈ ⑆122000661⑆ 14769⑈01525⑈

⑈0000254243⑈

10/21/03 LA/CA
122000661 06
E0463 S44 67100048680
7260044173

NOV 20 03

BANK ONE, WA

▶111901331▶

10202003

52737283

7001017 9425010007.10/17/2003

3054
03424

Pay to the order of any bank
Final County Treasurer
BankOne #1324-8988

COMPANY NAME TONTO BASIN WATER COMPANY INC. **YEAR ENDING 12/31/2003**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 54,053
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 54,053
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4-1-04
DATE

ROBERT T. HARDCASTLE
PRINTED NAME

PRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF CALIFORNIA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>KERN</u>	
NAME (OWNER OR OFFICIAL) TITLE	<u>ROBERT T. HARDCASTLE</u> <u>PRESIDENT</u>	
COMPANY NAME	<u>TONTO BASIN WATER COMPANY, INC.</u>	

APR 15 2004

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:



Arizona IntraState Gross Operating Revenues Only (\$)

\$ 264,826

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 16,510

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 9th DAY OF

(SEAL)

MY COMMISSION EXPIRES June 15, 2005

SIGNATURE OF OWNER OR OFFICIAL

(661) 633-7526

TELEPHONE NUMBER

COUNTY NAME

Kern County

MONTH

April

2004

Laurie Rachelle Keller

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

REC-111

APR 15 2004

VERIFICATION

STATE OF CALIFORNIA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) KERN	
NAME (OWNER OR OFFICIAL) ROBERT T. HARDCASTLE	TITLE PRESIDENT
COMPANY NAME TONTO BASIN WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

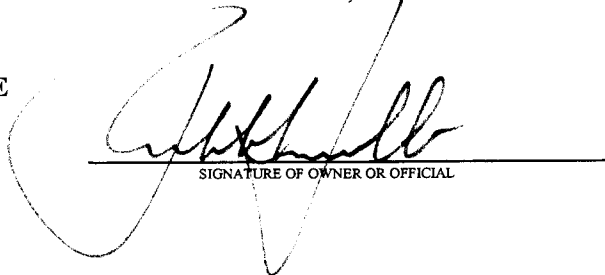
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 256,845

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 16,429
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

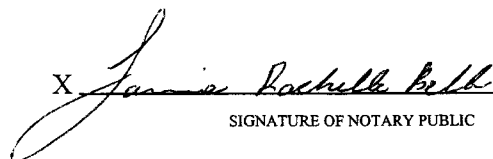
9th

DAY OF

NOTARY PUBLIC NAME Laurie Rachelle Keller	
COUNTY NAME Kern County	
MONTH April	2004



June 15, 2005

X 
SIGNATURE OF NOTARY PUBLIC